GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:602
ANSWERED ON:23.07.2015
Foreign Investment in Power Sector
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Will the Minister of POWER be pleased to state:

(a) the details of the foreign investment made in the power sector and the additional power generated as a result thereof during the last three years;

(b) whether the Government has framed any new policy for attracting large-scale foreign investment in the power sector;

(c) if so, the details thereof; and

(d) the amount of foreign investment is likely to be invested in the next three years under the policy?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a) to (d) : Foreign Direct Investment (FDI) up to 100% is permitted in the power sector, under the automatic route, in Generation, Transmission, Distribution and Power Trading without any upper ceiling on the quantum of investment. The FDI Cap for Power Exchanges is 49% (26% FDI + 23% FII/FPI) through 'Automatic Route'.

Details of FDI inflows in the power sector from 2012-13 to 2014-15 is given blow:
(in $ mn)
Year FDI in power
2012-13 536
2013-14 1066
2014-15 657

Total energy generation in these years were 912056.70 MU, 967150.34 MU and 1048672.96 MU respectively including generation due to foreign investment in power sector.

The Government of India has targeted 1,75,000 Mega Watt capacity addition up to year 2022 from renewable sources. It is expected that power sector including renewable sector will attract large amount of foreign investment in the coming years.

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